Global Agriculture Information Network

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## Morocco

## **Trade Policy Monitoring**

## Trade Policy - Increase in import Tariffs for Banana 2000

Approved by:
Merritt Chesely
U.S. Embassy, Rabat
Prepared by:

**Report Highlights:** 

Aziz Abdelali

Morocco has imposed additional duties on banana imports until February 26, 2001. This period will allow the GOM to complete its study on impact of banana imports on local production. Based on the outcome of the study, the GOM may implement new measures to limit banana imports.

On August 10, 2000 the Moroccan Ministry of Finance increased import tariffs on banana imports for a period of 200 days (until February 26, 2001). The tariff increase applies only to the harmonized code category 0803000010 and consists of applying an additional duty of 150 percent *ad valorem* on top of the current import tariffs of 45 percent and the 15 percent import tax.

The 200 day period should allow the Ministry of Foreign Trade to complete its study on the damage caused by massive imports to the local banana production. The proceeds issued from the additional duty will be held by the Ministry of Finance and, depending on the outcome of the Ministry of Foreign Trade study, will be either reimbursed to the importer or ultimately disbursed to the Treasury.

This measure is expected to limit significantly imports of bananas through February 26, 2001. Over the past few years, upon request of the local banana producers the GOM occasionally imposed an import license requirement for periods of up to three months. The last import license requirements for bananas were implemented on January 15, 2000 and on April 17, 2000. Moroccan trade law stipulates that the GOM can implement an import license requirement for a period of up to three months, renewable one time. Bananas are not on the list of commodities for which Morocco can use the WTO Special Safeguard Measures.

Moroccan Imports of Bananas by Country of Origin. (Quantities in Metric Tons, Values in dollars):

Calendar Year	1996		1997		1998		1999	
	MT	\$1,000	MT	\$1,000	MT	\$1,000	MT	\$1,000
Ewahan sa Data		8.6483		9.5016		9.5712		9.7725
Exchange Rate		8.0483		9.3010		9.5712		9.1123
Costa-Rica	3,407	1,621	2,922	1,415	1,780	829	6,251	2,424
Colombia	3,572	1,535	1,194	645	1,346	578	3,300	1,181
Ecuador	765	320			818	310	2,546	925
Cameroun	1,131	608	370	161			114	44
Panama					428	193		
Honduras	454	178				•		
Guatemala			305	133		•		
Ivory Coast			59	30		•		
Dominica	45	24						•
Total	9,373	4,288	4,850	2,384	4,373	1,910	12,212	4,574

Source: Official Trade Statistics

The increase in the tariffs for bananas is not expected to have a direct impact on U.S. exports to Morocco but is relevant to the U.S. since exports are made mostly by American companies that source their products from Latin American countries.